

# SAN FRANCISCO BAR PILOTS

Pier 9 East End  
San Francisco, CA 94111  
415-362-5436 Fax 415-982-4721

February 27, 2006

Mr. Barry Sedlick  
Undersecretary of the Business, Transportation & Housing Agency  
980 9<sup>th</sup> Street, Suite 2450  
Sacramento, CA 95814

**RE: Infrastructure Bond Bills**

Dear Undersecretary Sedlick:

The San Francisco Bar Pilots ("SFBP") are the oldest continuously operating private enterprise in California. We are responsible for the safe passage of more than 8,500 vessel moves every year on the waters of the San Francisco, Monterey, San Pablo, and Suisun Bays. From the Gulf of the Farallones to the Sacramento Delta, these waters include nine bridges, twenty ports, and two hundred miles of shipping lanes. The total value of cargo and services carried in vessels navigated by the SFBP exceeds \$1 billion per day. Maritime trade in northern California begins and ends with the shepherding of vessels by the San Francisco Bar Pilots.

Because of our intimate relationship with California's trade corridors, we offer the following insights regarding efforts to improve port infrastructure:

*The importance of northern California port infrastructure should not be overlooked.*

Significant cargoes that are essential to the California economy pass through northern California ports on a daily basis. These include containerized cargoes, petroleum, agricultural products, construction and building materials, scrap metals, finished metals, vehicles, military supplies and equipment and cruise passengers. Military supplies and equipment, as well as the large percentage of agricultural supplies flow primarily through northern California ports. California has extremely few export products and agricultural products are one of the state's most important exports. The forecast for all of these cargoes and passenger traffic is long term growth. The infrastructure must expand to accommodate this growth or the cargoes will be diverted to other ports.

If the bond measures focus primarily on improving southern California ports, truck and rail traffic may increase in an area with commensurate air pollution and road congestion notwithstanding rail and highway improvements. As evidenced in 2004, northern California has the capacity to absorb growth without exacerbating the environmental problems in southern California. Infrastructure improvements in northern California will allow this capacity to keep abreast of cargo traffic growth.

Additionally, the Governor's plan states that the Business, Transportation & Housing agency and the Department of Transportation shall adopt guidelines for review of projects and allocation of funds. The guidelines are to include consideration of "reasonable geographic balance." We urge the Legislature to define this balance in terms of the benefit of the resource expenditure to the state and movement of goods as a whole rather than simply focusing on the population, tax base or air quality.

*Short sea shipping, as contemplated in the Goods Movement Action Plan, would be disadvantageous to the California economy.*

The GMAP currently lists evaluation of short sea shipping as one of its preliminary action recommendations. Short sea shipping typically refers to shipping by smaller vessels from a large port to relatively closely located ports and has often erroneously been referred to as a barge shuttle service. Possible problems with short sea shipping are the security and environmental implications that may result.

Under current US law (the Jones Act), service between US ports must be conducted by US built, flagged and crewed ships. Implementation of short sea shipping would require a waiver of the Jones Act and requirements of state pilotage. The US crewed vessel, meeting the stringent requirements of the U. S. Coast Guard and Department of Homeland Security provides a level of security that may be lacking in a foreign flagged and crewed vessel. The state of California mandated state pilotage in order to ensure the safeguarding of waterborne commerce, vessels and crew as well as the marine environment. The SFBP have been recognized by the Department of Homeland Security and the U. S. Coast Guard for their active involvement in maritime security. Out of the 37 security critical infrastructure facilities and locations in northern California identified by the U. S. Coast Guard, 32 lie within the San Francisco Bar Pilots' pilotage grounds. The state must maintain its control of this critical infrastructure.

State pilots are trained to know every fathom and nautical mile in order to avoid collisions that could result in a catastrophe. If short sea shipping were employed, the oversight by trained professionals would be eliminated. Avoiding state control of piloting could result in another incident like the Exxon Valdez, which was run aground with no state licensed pilot.

Additionally, short sea shipping would mean more frequent vessel calls by smaller vessels. This would result in increased ship emissions since two small vessels emit more pollutants than one large vessel.

Short sea shipping must be critically evaluated without the fanfare that seems to accompany the concept.

*In light of California's goals of increasing international trade, dredging should be included in the infrastructure plan.*

Dredging maintains or increases the depth of the water increasing the margin of safety. Additionally, it facilitates the safe and prudent navigation of larger or more heavily loaded vessels. The larger the vessel or the more heavily loaded the vessel means the greater amount of cargo carried for the approximately the same amount of cost and vessel emissions of a smaller or less deeply loaded vessel. Dredging increases the efficiency and decreases the cost of waterborne goods transportation. Dredging can also help to improve the environment, as the deposition of dredge spoils can be used to restore habitats and wetlands. The Port of Oakland has amply demonstrated this in their dredging and modernization projects.

The SFBP strongly supports improved port infrastructure. Improvements of all ports and gateways within the state will contribute to a robust economy and will ensure that California is a major player in international trade. Additionally, the SFBP supports other infrastructure improvements such as rail, levee and highway improvements, as they enhance the efficiency of goods movement and the quality of life for all Californians.

If you have any questions, please contact our legislative advocates, Fred Taugher and Jennifer Wada, at (916) 441-0702.

Sincerely,



Captain William Greig  
Port Agent and President

Cc: Senator Don Perata, President Pro Tem of the California State Senate  
Senator Dick Ackerman, Minority Leader of the California State Senate  
Senator Kevin Murray, Chair, Conference Committee on Infrastructure  
Senator Alan Lowenthal, Chair, Senate Transportation & Housing Committee  
Senator Tom Torlakson, Chair, Senate Democratic Caucus  
Senator Bob Dutton, California State Senate  
Assembly Member Fabian Nunez, Speaker of the California State Assembly  
Assembly Member Jenny Oropeza, Chair, Assembly Transportation Committee  
Assembly Member Bob Huff, Vice Chair, Assembly Transportation Committee